

CODEx ALIMENTARIUS COMMISSION



Food and Agriculture
Organization of the
United Nations



World Health
Organization

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Agenda Item 7

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JOINT FAO/WHO FOOD STANDARDS PROGRAMME

CODEx ALIMENTARIUS COMMISSION

Forty-fourth Session

Codex Budgetary and Financial Matters: Progress 2020–2021

(Prepared by the Codex Secretariat)

1. INTRODUCTION

1. In accordance with Rule XIII.1 of the Commission's Rules of Procedure, the Secretariat reports on the expenditure for the biennium 2020-21, which is based on past expenditure and on the proposed programme of work of the Commission and its subsidiary bodies.¹

2. The present document contains a report on expenditure for the calendar year 2020 and provides an estimate of expenditure for 2021, based on the work plan presented in 2020.

3. This report is focused on the regular budget for the Codex Alimentarius Commission (in charge of implementing the Joint FAO/WHO Food Standards Programme). However, the Codex system additionally relies on:

- The provision of scientific advice from expert bodies of FAO and WHO;²
- FAO and WHO capacity building projects and events related to Codex at national and regional levels;
- The FAO and WHO Project and Fund for Enhanced Participation in Codex (Codex Trust Fund, CTF);
- Members providing staff secondments to the Codex Secretariat;
- Members acting as hosts for Codex Committees, Task Forces and working groups (providing interpretation, translation, Chairperson, a local secretariat and venues in the case of physical meetings);
- Members operating their national Codex structure (Codex Contact Points and National Codex Committees) and bearing the cost of the participation of their delegates, and where relevant the cost of elected officials (Chairperson and Vice-chairpersons of the CAC and CCEXEC, Members of the CCEXEC, and designated regional coordinators) in Codex meetings; and
- Contributions by FAO and WHO to Codex work and work management, including technical guidance and legal and communication services.

4. A budget proposal for the biennium 2022-23 is also provided at the end of this document.

2. REPORT ON EXPENDITURE (2020-2021)

2.1 Programme expenditure 2020

5. Overall 41 percent of the 2020-21 budget was spent in 2020. **Table 1** shows a detailed breakdown of the adjusted budget for the biennium 2020-21 and the Secretariat's regular programme expenditure in 2020 and estimated expenditure in 2021, broken down by cost type.

¹ This document has also been included in the agenda of CCEXEC81 under item 7.

² The FAO/WHO financial report on scientific support to Codex is contained in CAC/44 INF/2

Table 1: Regular programme budget and expenditure 2020-21 by cost type (USD thousands)

COST TYPES	Budget 2020–21	Expenditure 2020	Estimate of Expenditure 2021*	Total expenditure 2020-21
STAFF	4 508	2 136	2 456	4 592
OTHER HUMAN RESOURCES & CONTRACTS ³	1 141	550	1 485	2 035
INTERNAL COMMON SERVICES ⁴	1 733	685	900	1 585
TRAVEL	630	116	50	166
OTHER OPERATING EXPENSES ⁵	790	79	345	424
Total	8 802	3 566	5 236	8 802

(*figures as of August 2021)

41%

59%

6. The discrepancy between the planned and actual expenditure for 2020 can be accounted for as follows:

- The postponement of all technical sessions of Codex from 2020 to 2021 or 2022 due to the COVID-19 pandemic.
- The conduct of the 43rd Session of the Commission and the 79th Session of CCEXEC virtually. CCEXEC78 held early February 2020 was the last Codex session to meet physically.
- The decrease in operating expenses and travel due to the COVID-19 pandemic and staff teleworking from home.
- A vacant professional position for half of 2020.

3. ESTIMATE OF EXPENDITURE IN 2021

7. Changes in the planned activities and outputs mentioned in the Codex Work Plan and Budget 2020-21 are foreseen for the calendar year 2021 and reported below:

- *Staff* (including salaries of professional and general service staff): A short-term P4 was hired to support the increased need in Information Technology (IT) services due to the COVID-19 pandemic and support the renewal of the Codex IT systems (see below under Other Human Resources and Contracts).
- *Other human resources and contracts*: Taking advantage of the savings generated due to the COVID-19 pandemic, the Secretariat, in collaboration with the FAO IT division, have initiated the digital Codex project described in CX/CAC 20/43/13 (paras 33 and 34). This project will initially address long-standing IT infrastructure issues that posed serious risks of data loss, including renewal of its servers and transfer of data repositories to the cloud. A contract was signed with an external provider to carry-out this work. Consultants will assist with this initiative, including web development, communication and design, and training. There will be ongoing costs related to hosting, licensing, roll-out of and training on our digital systems and tools. This is in line with Goal 5 of the Codex Strategic Plan 2020-2025 which includes enhancement of work management systems. The savings have also enabled the Secretariat to take the first steps in supporting implementation of Goal 3 of the Codex Strategic plan to increase impact through the recognition and use of Codex Standards. A preliminary study has been initiated which will form the basis for further work in 2022-23.
- *Internal common services*: A higher expenditure than in 2020 is expected as more sessions of subsidiary bodies of the Commission are taking/will take place virtually, requiring a range of preparatory meetings and webinars with interpretation in different languages and increased communication products including their translation to facilitate their successful implementation.
- *Other operating expenses*: Overall, these are lower than budgeted due to the Covid-19 pandemic.
- *Travel*: Significant savings were made under this line due to the Covid-19 pandemic.

³ Including consultants, interns, contracts with external service providers and overtime of general service staff.

⁴ Including translations, interpretation, and printing serviced by FAO headquarters.

⁵ Including data processing equipment, furniture, stationery, costs for rental of external premises, general overhead expenses, contingency and operating costs.

4. BUDGET PROPOSAL 2022 - 2023

4.1 Introduction

8. In accordance with Rule XIII.2 of the Commission's Rules of Procedure, the estimate of expenditure shall make provisions for the operating expenses of the Commission and the subsidiary bodies of the Commission established under Rule XI.1(a) and XI.1 (b) (ii) and for the expenses relating to staff assigned to the Programme and other expenditures incurred in connection with the serving of the latter.

4.2 Impact of COVID-19 on Codex' work and budget

9. The COVID-19 pandemic has resulted in all Codex work being undertaken in a virtual manner in 2021. As noted in Section 2 of this report, this has led to savings in certain areas, in particular travel, but has also led to increases in expenditure in other areas such as interpretation, translation and communication. While staff resources have remained unchanged, the additional work for the Codex Secretariat to support the effective implementation of a virtual Codex is not sustainable with the current staff resources. This has to be considered while planning for the next biennia, both in terms of internal resources and building the skill sets of host governments to support different meeting formats. Therefore, the ongoing uncertainties require a flexible approach while delivering the Codex work-plan. For instance, the savings from the COVID-19 pandemic allowed the Codex Secretariat to anticipate some of its work under Goal 3 and Goal 5 of the strategic plan as outlined in section 2, rather than having to seek additional resources to initiate this work.

10. In terms of impact on the Codex work and budget, the pandemic has not prevented Codex from fully delivering on its workplan. The Budget remains sufficiently flexible that savings in one area can be allocated to other aspects of Codex work, in line with the Codex Strategic Plan. How Codex will be operating in 2022-23 remains difficult to predict. While it is expected that some physical meetings will be possible during the biennium, it is now clear that this will not be at the beginning of 2022. The pandemic presented many challenges but also brought benefits to Codex particularly in terms of participation and inclusivity and during the 2022-23 biennium Codex will have to consider how it can continue to build on these benefits while moving to a post-pandemic scenario. Expenditures in the 2022-23 biennium will be in line with the set objectives of the Codex Strategic Plan (SP) 2020 - 2025, for which the activities undertaken are regularly reported upon in the paper on SP implementation⁶.

4.3 Budget Proposal 2022-23

11. The proposed budget for the biennium 2022-23 is shown in **Table 2**. The FAO⁷ and WHO contributions are subject to approval by their respective governing bodies in 2021. The budget is based on the following assumptions for major cost accounts:

- i. The uncertainties related to the pandemic, travel and the future format of Codex meetings will continue and present ongoing challenges in the refinement of the workplan for 2022-23.
- ii. Annual sessions of the Codex Alimentarius Commission will be held while the format of these sessions remains to be determined;
- iii. Two annual sessions of the Executive Committee are envisaged either virtual or physical;
- iv. Other subsidiary bodies, including Coordinating Committees, are expected to meet at least once in the course of the biennium, the format and timing being subject to the prevailing conditions resulting in around 20 technical Codex sessions;
- v. Even if convening physical meetings of Codex sessions remain an uncertainty in the short term it is anticipated that there will be increasing possibilities for the Codex Secretariat to sit together with the Chairperson and host secretariat
- vi. There may be a need for further flexibility between the budget lines indicated in Table 1 to ensure work continuity;
- vii. The current online tools to facilitate Codex work will be fully maintained with ongoing capacity development to support Member and Observer engagement; and
- viii. Events/publications will take place/be issued to mark the 60th anniversary of Codex in 2023 in addition to the communication activities of the Codex secretariat to increase awareness of Codex work and related standards.

⁶ See CX/EXEC 21/81/5 Appendix 3 for ongoing activities

⁷ The FAO contribution of USD 7.1 million was approved in June 2021 ([C.2021/3](#) Table 6)

**Table 1: Budget proposal 2022 - 2023
(USD thousands)**

Contributing Agency	Contribution 2022-23
<i>FAO Contribution</i>	7 145
<i>WHO Contribution</i>	1 725
Total Contribution	8 870
COST TYPE	Budget 2022-23
STAFF	4 590
OTHER HUMAN RESOURCES & CONTRACTS ⁸	1 100
INTERNAL COMMON SERVICES ⁹	1 700
TRAVEL	630
OTHER OPERATING EXPENSES ¹⁰	850
Total Budget	8 870

12. Any new cost-intensive activities arising from emerging needs to better implement the Codex Strategic Plan 2020 – 2025 may have to be accommodated under the budget for the biennium 2024-25.

⁸ Including consultants, interns, contracts with external service providers and overtime of general service staff.

⁹ Including translations, interpretation, and printing serviced by FAO headquarters.

¹⁰ Including data processing equipment, furniture, stationery, costs for rental of external premises, general overhead expenses, contingency and operating costs.